

**199—15.4 (476) Rate-regulated electric utility obligations under this chapter regarding qualifying facilities.** For purposes of this rule, “electric utility” means a rate-regulated electric utility.

**15.4(1) *Obligation to purchase from qualifying facilities.*** Each electric utility shall purchase, in accordance with these rules, any energy and capacity which is made available from a qualifying facility:

- a.* Directly to the electric utility; or
- b.* Indirectly to the electric utility in accordance with subrule 15.4(4).

**15.4(2) *Obligation to sell to qualifying facilities.*** Each electric utility shall sell to any qualifying facility, in accordance with these rules and the other requirements of law, any energy and capacity requested by the qualifying facility.

**15.4(3) *Obligation to interconnect.*** Any electric utility shall make the interconnections with any qualifying facility as may be necessary to accomplish purchases or sales under these rules. The obligation to pay for any interconnection costs shall be determined in accordance with rule 199—15.8(476). However, no electric utility is required to interconnect with any qualifying facility if, solely by reason of purchases or sales over the interconnection, the electric utility would become subject to regulation as a public utility under Part II of the Federal Power Act.

**15.4(4) *Transmission to other electric utilities.*** If a qualifying facility agrees, an electric utility which would otherwise be obligated to purchase energy or capacity from the qualifying facility may transmit the energy or capacity to any other electric utility. Any electric utility to which the energy or capacity is transmitted shall purchase the energy or capacity under this subpart as if the qualifying facility were supplying energy or capacity directly to the electric utility. The rate for purchase by the electric utility to which the energy is transmitted shall be adjusted up or down to reflect line losses and shall not include any charges for transmission.

**15.4(5) *Parallel operation.*** Each electric utility shall offer to operate in parallel with a qualifying facility, provided that the qualifying facility complies with any applicable standards established in accordance with these rules.